AMERICAN TRANSMISSION COMPANY LLC
THE ENERGY ACCESS COMPANY

N19 W23993 RIDGEVIEW PARKWAY WEST ▪ P.O. BOX 47 ▪ WAUKESHA, WI 53187-0047
262-506-6700 ▪ Toll Free: 866-899-3204 ▪ Fax: 262-506-6710 ▪ www.atcllc.com

May 3, 2002

Pete Leege
Financial Specialist
Public Service Commission of Wisconsin
610 North Whitney Way
P.O. Box 7854
Madison, WI 53707-7854

Re: PSCW Report Changed Pages

Dear Mr. Leege:

Enclosed are copies of the changed pages of American Transmission Company LLC's Annual Report to the Public Service Commission. The pages which have been changed are as follows:

- FERC Pages 1, 4, 104, 110-111, 112-113, 114-117, 122-123*, 200-201, 253, 261, 262-263, 266-267, 274-275, and 276-277
- PSCW Pages F-36 to F-37

We have also enclosed a bound copy with the changed pages and the original signature pages.

Please contact me at 262-506-6831 with any questions you may have.

Sincerely,

AMERICAN TRANSMISSION COMPANY LLC

Mary C. Munson

Mary C. Munson
Manager of General Accounting and Financial Reporting

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Attachments

* *Only Section 2(e) and Section 6 had changes.*

FERC FORM NO. 1:
ANNUAL REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER

IDENTIFICATION		
01 Exact Legal Name of Respondent American Transmission Company LLC		02 Year of Report Dec. 31, 2001
03 Previous Name and Date of Change *(if name changed during year)* / /		
04 Address of Principal Office at End of Year *(Street, City, State, Zip Code)* N19 W23993 Ridgeview Parkway West, Waukesha, WI, 53187-0047		
05 Name of Contact Person Michael T. Hofbauer		06 Title of Contact Person Director - Acct Operations
07 Address of Contact Person *(Street, City, State, Zip Code)* N19 W23993 Ridgeview Parkway West, Waukesha, WI, 53187-0047		
08 Telephone of Contact Person, *Including Area Code* (262) 506-6816	09 This Report Is (1) ☒ An Original (2) ☐ A Resubmission	10 Date of Report *(Mo, Da, Yr)* 04/29/2002

ATTESTATION		
The undersigned officer certifies that he/she has examined the accompanying report: that to the best of his/her knowledge, information, and belief, all statements of fact contained in the accompanying report are true and the accompanying report is a correct statement of the business and affairs of the above named respondent in respect to each and every matter set forth therein during the period from and including January 1 to and including December 31 of the year of the report.		
01 Name Daniel A. Doyle	03 Signature Daniel A. Doyle	04 Date Signed *(Mo, Da, Yr)* 04/29/2002
02 Title Vice President and Chief Financial		

Title 18, U.S.C. 1001 makes it a crime for any person to knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
American Transmission Company LLC	(1) [X] An Original (2) [ ] A Resubmission	04/29/2002	Dec. 31, 2001

LIST OF SCHEDULES (Electric Utility) (continued)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
67	Transmission Lines Added During Year	424-425	
68	Substations	426-427	
69	Electric Distribution Meters and Line Transformers	429	Not Applicable
70	Environmental Protection Facilities	430	Not Applicable
71	Environmental Protection Expenses	431	Not Applicable
72	Footnote Data	450	

Stockholders' Reports Check appropriate box:

[X] Four copies will be submitted

[ ] No annual report to stockholders is prepared

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
American Transmission Company LLC	(1) [X] An Original (2) [ ] A Resubmission	04/29/2002	Dec. 31, 2001

OFFICERS

1. Report below the name, title and salary for each executive officer whose salary is $50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policy making functions.
2. If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent, and the date the change in incumbency was made.

Line No.	Title (a)	Name of Officer (b)	Salary for Year (c)
1	President and Chief Executive Officer	Jose M. Delgado	
2	Vice President and Chief Financial Officer	Daniel A. Doyle	
3	Vice President and Chief Strategic Officer	Dale A. Landgren	
4	Vice President, Operations	Harry L. Terhune	
5	Vice President, Legal and Secretary	Walter T. Woelfle	
6			
7			
8	Note: Individuals listed are the officers of ATC		
9	Management Inc., corporate manager for American		
10	Transmission Company LLC. All salaries are on file		
11	within the human resources department of ATC		
12	Management Inc.		
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Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
American Transmission Company LLC	(1) [X] An Original (2) [ ] A Resubmission	04/29/2002	Dec. 31, 2001

COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
1	**UTILITY PLANT**			
2	Utility Plant (101-106, 114)	200-201	0	1,115,330,111
3	Construction Work in Progress (107)	200-201	0	34,332,577
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		0	1,149,662,688
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 111, 115)	200-201	0	507,805,195
6	Net Utility Plant (Enter Total of line 4 less 5)		0	641,857,493
7	Nuclear Fuel (120.1-120.4, 120.6)	202-203	0	0
8	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	0	0
9	Net Nuclear Fuel (Enter Total of line 7 less 8)		0	0
10	Net Utility Plant (Enter Total of lines 6 and 9)		0	641,857,493
11	Utility Plant Adjustments (116)	122	0	0
12	Gas Stored Underground - Noncurrent (117)		0	0
13	**OTHER PROPERTY AND INVESTMENTS**			
14	Nonutility Property (121)	221	0	0
15	(Less) Accum. Prov. for Depr. and Amort. (122)		0	0
16	Investments in Associated Companies (123)		0	0
17	Investment in Subsidiary Companies (123.1)	224-225	0	0
18	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
19	Noncurrent Portion of Allowances	228-229	0	0
20	Other Investments (124)		0	0
21	Special Funds (125-128)		0	0
22	TOTAL Other Property and Investments (Total of lines 14-17,19-21)		0	0
23	**CURRENT AND ACCRUED ASSETS**			
24	Cash (131)		0	29,801,019
25	Special Deposits (132-134)		0	0
26	Working Fund (135)		0	0
27	Temporary Cash Investments (136)		18,125,632	8,196,153
28	Notes Receivable (141)		0	0
29	Customer Accounts Receivable (142)		0	13,906,004
30	Other Accounts Receivable (143)		0	2,805,400
31	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		0	0
32	Notes Receivable from Associated Companies (145)		0	0
33	Accounts Receivable from Assoc. Companies (146)		0	717,182
34	Fuel Stock (151)	227	0	0
35	Fuel Stock Expenses Undistributed (152)	227	0	0
36	Residuals (Elec) and Extracted Products (153)	227	0	0
37	Plant Materials and Operating Supplies (154)	227	0	0
38	Merchandise (155)	227	0	0
39	Other Materials and Supplies (156)	227	0	0
40	Nuclear Materials Held for Sale (157)	202-203/227	0	0
41	Allowances (158.1 and 158.2)	228-229	0	0
42	(Less) Noncurrent Portion of Allowances		0	0
43	Stores Expense Undistributed (163)	227	0	0
44	Gas Stored Underground - Current (164.1)		0	0
45	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)		0	0
46	Prepayments (165)		127,596	545,918
47	Advances for Gas (166-167)		0	0
48	Interest and Dividends Receivable (171)		0	0
49	Rents Receivable (172)		0	0
50	Accrued Utility Revenues (173)		0	622,361
51	Miscellaneous Current and Accrued Assets (174)		0	113,497
52	TOTAL Current and Accrued Assets (Enter Total of lines 24 thru 51)		18,253,228	56,707,534

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American Transmission Company LLC	(1) [X] An Original (2) [ ] A Resubmission	04/29/2002	Dec. 31, 2001

COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)(Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
53	**DEFERRED DEBITS**			
54	Unamortized Debt Expenses (181)		0	3,164,324
55	Extraordinary Property Losses (182.1)	230	0	0
56	Unrecovered Plant and Regulatory Study Costs (182.2)	230	0	0
57	Other Regulatory Assets (182.3)	232	14,690,148	20,172,614
58	Prelim. Survey and Investigation Charges (Electric) (183)		0	1,247,032
59	Prelim. Sur. and Invest. Charges (Gas) (183.1, 183.2)		0	0
60	Clearing Accounts (184)		0	-30
61	Temporary Facilities (185)		0	0
62	Miscellaneous Deferred Debits (186)	233	0	128,543
63	Def. Losses from Disposition of Utility Plt. (187)		0	0
64	Research, Devel. and Demonstration Expend. (188)	352-353	0	0
65	Unamortized Loss on Reaquired Debt (189)		0	0
66	Accumulated Deferred Income Taxes (190)	234	0	0
67	Unrecovered Purchased Gas Costs (191)		0	0
68	TOTAL Deferred Debits (Enter Total of lines 54 thru 67)		14,690,148	24,712,483
69	TOTAL Assets and Other Debits (Enter Total of lines 10,11,12,22,52,68)		32,943,376	723,277,510

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
American Transmission Company LLC	(1) [X] An Original (2) [ ] A Resubmission	04/29/2002	Dec. 31, 2001

COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
1	**PROPRIETARY CAPITAL**			
2	Common Stock Issued (201)	250-251	0	0
3	Preferred Stock Issued (204)	250-251	0	0
4	Capital Stock Subscribed (202, 205)	252	0	0
5	Stock Liability for Conversion (203, 206)	252	0	0
6	Premium on Capital Stock (207)	252	0	0
7	Other Paid-In Capital (208-211)	253	0	308,078,146
8	Installments Received on Capital Stock (212)	252	0	0
9	(Less) Discount on Capital Stock (213)	254	0	0
10	(Less) Capital Stock Expense (214)	254	0	0
11	Retained Earnings (215, 215.1, 216)	118-119	0	0
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	0	0
13	(Less) Reaquired Capital Stock (217)	250-251	0	0
14	TOTAL Proprietary Capital (Enter Total of lines 2 thru 13)		0	308,078,146
15	**LONG-TERM DEBT**			
16	Bonds (221)	256-257	0	300,000,000
17	(Less) Reaquired Bonds (222)	256-257	0	0
18	Advances from Associated Companies (223)	256-257	0	0
19	Other Long-Term Debt (224)	256-257	0	0
20	Unamortized Premium on Long-Term Debt (225)		0	0
21	(Less) Unamortized Discount on Long-Term Debt-Debit (226)		0	2,136,650
22	TOTAL Long-Term Debt (Enter Total of lines 16 thru 21)		0	297,863,350
23	**OTHER NONCURRENT LIABILITIES**			
24	Obligations Under Capital Leases - Noncurrent (227)		0	0
25	Accumulated Provision for Property Insurance (228.1)		0	0
26	Accumulated Provision for Injuries and Damages (228.2)		0	0
27	Accumulated Provision for Pensions and Benefits (228.3)		0	3,614,707
28	Accumulated Miscellaneous Operating Provisions (228.4)		0	0
29	Accumulated Provision for Rate Refunds (229)		0	0
30	TOTAL OTHER Noncurrent Liabilities (Enter Total of lines 24 thru 29)		0	3,614,707
31	**CURRENT AND ACCRUED LIABILITIES**			
32	Notes Payable (231)		9,800,000	0
33	Accounts Payable (232)		4,973,852	1,219,274
34	Notes Payable to Associated Companies (233)		17,002,665	0
35	Accounts Payable to Associated Companies (234)		0	13,098,881
36	Customer Deposits (235)		0	0
37	Taxes Accrued (236)	262-263	0	2,494,809
38	Interest Accrued (237)		0	6,293,750
39	Dividends Declared (238)		0	0
40	Matured Long-Term Debt (239)		0	0
41	Matured Interest (240)		0	0
42	Tax Collections Payable (241)		0	174,511
43	Miscellaneous Current and Accrued Liabilities (242)		1,166,859	12,866,608
44	Obligations Under Capital Leases-Current (243)		0	0
45	TOTAL Current & Accrued Liabilities (Enter Total of lines 32 thru 44)		32,943,376	36,147,833

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COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)(Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
46	**DEFERRED CREDITS**			
47	Customer Advances for Construction (252)		0	0
48	Accumulated Deferred Investment Tax Credits (255)	266-267	0	8,126,307
49	Deferred Gains from Disposition of Utility Plant (256)		0	0
50	Other Deferred Credits (253)	269	0	0
51	Other Regulatory Liabilities (254)	278	0	0
52	Unamortized Gain on Reaquired Debt (257)		0	0
53	Accumulated Deferred Income Taxes (281-283)	272-277	0	69,447,167
54	TOTAL Deferred Credits (Enter Total of lines 47 thru 53)		0	77,573,474
55			0	0
56			0	0
57			0	0
58			0	0
59			0	0
60			0	0
61			0	0
62			0	0
63			0	0
64			0	0
65			0	0
66			0	0
67			0	0
68	TOTAL Liab and Other Credits (Enter Total of lines 14,22,30,45,54)		32,943,376	723,277,510

STATEMENT OF INCOME FOR THE YEAR

1. Report amounts for accounts 412 and 413, Revenue and Expenses from Utility Plant Leased to Others, in another Utility column (i, k, m, o) in a similar manner to a utility department. Spread the amount(s) over Lines 02 thru 24 as appropriate. Include these amounts in columns (c) and (d) totals.
2. Report amounts in account 414, Other Utility Operating income, in the same manner as accounts 412 and 413 above.
3. Report data for lines 7,9, and 10 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1 and 407.2.
4. Use pages 122-123 for important notes regarding the statement of income or any account thereof.
5. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in a material refund to the utility with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power and gas purchases.
6. Give concise explanations concerning significant amounts of any refunds made or received during the year

Line No.	Account (a)	(Ref.) Page No. (b)	TOTAL Current Year (c)	TOTAL Previous Year (d)
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400)	300-301	174,734,418	
3	Operating Expenses			
4	Operation Expenses (401)	320-323	44,299,906	
5	Maintenance Expenses (402)	320-323	26,089,520	
6	Depreciation Expense (403)	336-337	30,595,949	
7	Amort. & Depl. of Utility Plant (404-405)	336-337		
8	Amort. of Utility Plant Acq. Adj. (406)	336-337		
9	Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)			
10	Amort. of Conversion Expenses (407)			
11	Regulatory Debits (407.3)		3,582,156	
12	(Less) Regulatory Credits (407.4)			
13	Taxes Other Than Income Taxes (408.1)	262-263	5,568,136	
14	Income Taxes - Federal (409.1)	262-263	12,452,699	
15	- Other (409.1)	262-263	2,843,275	
16	Provision for Deferred Income Taxes (410.1)	234, 272-277	2,134,135	
17	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234, 272-277	609,906	
18	Investment Tax Credit Adj. - Net (411.4)	266	-361,784	
19	(Less) Gains from Disp. of Utility Plant (411.6)			
20	Losses from Disp. of Utility Plant (411.7)			
21	(Less) Gains from Disposition of Allowances (411.8)			
22	Losses from Disposition of Allowances (411.9)			
23	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 22)		126,594,086	
24	Net Util Oper Inc (Enter Tot line 2 less 23) Carry fwd to P117,line 25		48,140,332	

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
American Transmission Company LLC	(1) [X] An Original (2) [ ] A Resubmission	04/29/2002	Dec. 31, 2001

STATEMENT OF INCOME FOR THE YEAR (Continued)

resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.
7. If any notes appearing in the report to stockholders are applicable to this Statement of Income, such notes may be included on pages 122-123.
B. Enter on pages 122-123 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.
9. Explain in a footnote if the previous year's figures are different from that reported in prior reports.
10. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles, lines 2 to 23, and report the information in the blank space on pages.122-123 or in a footnote.

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line No.
Current Year (e)	Previous Year (f)	Current Year (g)	Previous Year (h)	Current Year (i)	Previous Year (j)	
						1
174,734,418						2
						3
44,299,906						4
26,089,520						5
30,595,949						6
						7
						8
						9
						10
3,582,156						11
						12
5,568,136						13
12,452,699						14
2,843,275						15
2,134,135						16
609,906						17
-361,784						18
						19
						20
						21
						22
126,594,086						23
48,140,332						24

STATEMENT OF INCOME FOR THE YEAR (Continued)

Line No.	OTHER UTILITY		OTHER UTILITY		OTHER UTILITY	
	Current Year (k)	Previous Year (l)	Current Year (m)	Previous Year (n)	Current Year (o)	Previous Year (p)
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Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
American Transmission Company LLC	(1) [X] An Original (2) [ ] A Resubmission	04/29/2002	Dec. 31, 2001

STATEMENT OF INCOME FOR THE YEAR (Continued)

Line No.	Account (a)	(Ref.) Page No. (b)	TOTAL Current Year (c)	TOTAL Previous Year (d)
25	Net Utility Operating Income (Carried forward from page 114)		48,140,332	
26	Other Income and Deductions			
27	Other Income			
28	Nonutilty Operating Income			
29	Revenues From Merchandising, Jobbing and Contract Work (415)			
30	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)			
31	Revenues From Nonutility Operations (417)			
32	(Less) Expenses of Nonutility Operations (417.1)			
33	Nonoperating Rental Income (418)			
34	Equity in Earnings of Subsidiary Companies (418.1)	119		
35	Interest and Dividend Income (419)		2,211,198	
36	Allowance for Other Funds Used During Construction (419.1)		1,530,672	
37	Miscellaneous Nonoperating Income (421)			
38	Gain on Disposition of Property (421.1)			
39	TOTAL Other Income (Enter Total of lines 29 thru 38)		3,741,870	
40	Other Income Deductions			
41	Loss on Disposition of Property (421.2)			
42	Miscellaneous Amortization (425)	340		
43	Miscellaneous Income Deductions (426.1-426.5)	340	750	
44	TOTAL Other Income Deductions (Total of lines 41 thru 43)		750	
45	Taxes Applic. to Other Income and Deductions			
46	Taxes Other Than Income Taxes (408.2)	262-263		
47	Income Taxes-Federal (409.2)	262-263		
48	Income Taxes-Other (409.2)	262-263		
49	Provision for Deferred Inc. Taxes (410.2)	234, 272-277		
50	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234, 272-277		
51	Investment Tax Credit Adj.-Net (411.5)			
52	(Less) Investment Tax Credits (420)			
53	TOTAL Taxes on Other Income and Deduct. (Total of 46 thru 52)			
54	Net Other Income and Deductions (Enter Total lines 39, 44, 53)		3,741,120	
55	Interest Charges			
56	Interest on Long-Term Debt (427)		15,971,875	
57	Amort. of Debt Disc. and Expense (428)		293,547	
58	Amortization of Loss on Reaquired Debt (428.1)			
59	(Less) Amort. of Premium on Debt-Credit (429)			
60	(Less) Amortization of Gain on Reaquired Debt-Credit (429.1)			
61	Interest on Debt to Assoc. Companies (430)	340		
62	Other Interest Expense (431)	340	245,156	
63	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		1,371,338	
64	Net Interest Charges (Enter Total of lines 56 thru 63)		15,139,240	
65	Income Before Extraordinary Items (Total of lines 25, 54 and 64)		36,742,212	
66	Extraordinary Items			
67	Extraordinary Income (434)			
68	(Less) Extraordinary Deductions (435)			
69	Net Extraordinary Items (Enter Total of line 67 less line 68)			
70	Income Taxes-Federal and Other (409.3)	262-263		
71	Extraordinary Items After Taxes (Enter Total of line 69 less line 70)			
72	Net Income (Enter Total of lines 65 and 71)		36,742,212	

American Transmission Company LLC

Notes to Financial Statements
December 31, 2001 and 2000

(1) Organization and Management-

American Transmission Company LLC (the Company) was organized on June 12, 2000 as a limited liability company under the Wisconsin Limited Liability Company Act as a single purpose, for-profit electric transmission company. The Company's purpose is to construct, operate and maintain transmission facilities in order to provide electric transmission services for a single, system-wide rate under an open-access transmission tariff. The Company primarily serves a geographic area including southern and eastern Wisconsin, portions of Illinois and the Upper Peninsula of Michigan.

The Company is managed by a corporate manager, ATC Management Inc. ("Management Inc."). The Company and Management Inc. operate as a single functional unit. Under the Company's operating agreement, Management Inc. has complete discretion to exercise control of the business of the Company. Accordingly, Management Inc. provides all management services to the Company, which itself has no management. All employees who serve the Company are employees of Management Inc. Expenses of Management Inc. are paid by the Company.

The Company is subject to regulation by the Federal Energy Regulatory Commission ("FERC") as to rates, terms of service and financing. The Company 's accounting policies conform to the requirements of the FERC as set forth in its Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States (see Note 6). The Company is subject to regulation by state regulatory commissions as to other aspects of business, including the construction of electric transmission assets within the Company's service territory.

The Company was in the development stage through December 31, 2000. On January 1, 2001, Wisconsin Electric Power Company, Edison Sault Electric Company, Wisconsin Power & Light Company, South Beloit Water, Gas & Electric Company, Wisconsin Public Service Corporation and Madison Gas and Electric Company (together "the contributing utilities") transferred transmission assets to the Company in exchange for equity interests in the Company. The Company recorded the transferred assets at the net book values of the previous owners, which were initially estimated to be $543.1 million. The contributing utilities originally had a 150-day true-up period within which to provide the Company with finalized net book values for the transmission assets transferred to the Company. The true-up period was subsequently extended to December 1, 2001 to accommodate new members joining the Company in June 2001. The final net book values reported by the contributing utilities were $554.5 million. In addition, Wisconsin Public Power, Inc. and Management Inc. contributed cash of approximately $16.9 million and $95,000 respectively, in exchange for equity interests in the Company.

On April 2, 2001, $186.1 million, or 40%, of the initial membership interests of the Company were redeemed.

On June 25, 2001, Algoma Utilities, Badger Power Marketing Authority, Kaukauna Utilities, Manitowoc Public Utilities, Marshfield Electric and Water Department, Menasha Utilities, Oconto Falls Municipal Utilities, Plymouth Utilities, City of Reedsburg, Sheboygan Falls Utilities, Sturgeon Bay Utilities, Sun Prairie Water and Light, and Wisconsin Rapids Water Works and Lighting (together "the contributing municipalities") transferred transmission assets with a net book value of $10.5 million and cash in the amount of $5.3 million to the Company in exchange for equity interests in the Company. This net book value was subsequently adjusted to $10.2 million in accordance with the true-up provisions of the operating agreement. The Company recorded the transferred assets at the contributors' net book amounts.

On June 29, 2001, Adams-Columbia Electric Cooperative, Central Wisconsin Electric Cooperative, Cloverland Electric

Cooperative, and Rock County Electric Cooperative Association (together "the contributing cooperatives") transferred transmission assets with a net book value of $5.5 million as well as cash in the amount of $2.1 million in exchange for equity interests in the Company. Similarly, on June 29, 2001, Upper Peninsula Power Company ("UPPCo") transferred transmission assets with a net book value of approximately $22.2 million in exchange for an equity interest in the Company. This net book value was adjusted to $22.0 million based on a subsequent true-up adjustment in 2001. The Company recorded the transferred assets at the contributors' net book amounts.

On June 29, 2001, $73.8 million was used to redeem an additional 10% of the initial membership interests as well as to redeem 50% of the membership interest of the contributing municipalities, contributing cooperatives, and UPPCo.

During the third and fourth quarter, minor adjustments were made to the members' equity accounts as the net book value of the contributed assets were adjusted in accordance with the true-up provision of the operating agreement.

(2) Summary of Significant Accounting Policies-

(a) Transmission and General Plant and Related Depreciation-

Transmission Plant is stated at the original cost of construction. The assets transferred to the Company by the contributing utilities, contributing municipalities, contributing cooperatives, and UPPCo during 2001 have been recorded at their original cost in Property, Plant and Equipment with the related Accumulated Depreciation also recorded.

The original cost of construction includes indirect costs consisting of payroll taxes, other fringe benefits, administrative and general costs and an allowance for funds used during construction (AFUDC). AFUDC represents the approximate cost of debt and equity capital devoted to plant under construction. The portion of the allowance that applies to: (1) borrowed funds is presented in the Statement of Operations as a reduction of interest expense and (2) equity funds is presented as other income. Although the allowance does not represent current cash income, it is recovered under the ratemaking process over the service lives of the related assets. In accordance with FERC Order 561, the Company capitalized AFUDC at the following average rates in 2001:

Debt Rate	4.6%
Equity Rate	5.0%
Total Rate	9.6%

The provision for depreciation of the transmission assets is an integral part of the Company's cost of service under the FERC tariff. The effective depreciation rate applied to the Company's depreciable transmission plant in 2001 was 2.66%. Depreciation expense recorded for the year ended December 2001 was $31.2 million.

Office furniture and equipment, including computer hardware and software, are recorded at cost and depreciated over their estimated useful lives which range from three to ten years.

(b) Cash and Cash Equivalents-

Cash equivalents consist of highly liquid investments with original maturities of three months or less. The book value of cash and cash equivalents approximates fair value due to the short-term nature of these investments.

(c) Other Assets-

The Company's accounting policies conform to Statement of Financial Accounting Standards No. 71, "Accounting for the Effects of Certain Types of Regulation". Accordingly, certain assets that result from the regulated ratemaking process are recorded that would otherwise not be recorded under accounting principles generally accepted in the United States for non-regulated companies. These costs are deferred as regulatory assets and are recognized in the statements of operations at the time they are reflected in rates. As of December 31, other assets including regulatory assets are comprised of the following (in thousands):

	2001	2000
Deferred Start-Up Costs, Net of Amortization	$12,056	$12,570
True-Up of 2001 Revenues	5,382	-
Unamortized Debt Issuance Costs	3,164	-
Other	1,838	-
	$22,440	$12,570

Under the settlement tariff (see Note 7) that was approved by the FERC in November 2001, the Company anticipates recovering in rates, over a five-year period, certain start-up and development costs incurred in 2000 and 2001. Accordingly, deferred start-up costs of $15.1 million are being amortized to expense over a five-year period beginning in 2001. Amortization expense of $3.0 million is included in 2001 depreciation and amortization. In addition, approximately $2.8 million ($2.3 million net of amortization at December 31, 2001) in general plant start-up costs were incurred. These costs are classified in Transmission and General Plant for GAAP financial statements but are considered a regulatory asset for FERC Form 1 purposes.

As discussed further in Notes 2d and 7, the November 2001 settlement tariff approved by the FERC provides for a true-up mechanism. The tariff requires that the Company increase its customer billings in 2003 in the amount of actual 2001 cost of service plus return less amounts billed to customers in 2001.

(d) Revenue Recognition-

The Company transmits electricity for utilities, municipalities, cooperatives and other eligible entities under an open-access transmission tariff regulated by the FERC. The tariff specifies the calculation of amounts to be paid and the general terms and conditions of service on the transmission system. The Company's revenues are derived from agreements for the receipt and delivery of electricity at points along the transmission system. The Company does not own the electricity that it transmits. Revenue is recognized based on the amounts billable under the tariff for services provided during the reporting period. As part of a true-up provision in the open-access transmission tariff, the Company records or defers additional revenues if the actual revenue requirement for the year is higher or lower than the amounts billed during the year (see Note 7).

(e) Income Taxes-

This Form 1 reports as income tax expense an amount that is a charge in lieu of income taxes. This charge is different than a provision for income taxes that would conform to accounting principles generally accepted in the United States for taxable entities. The Company is a limited liability company that has elected to be taxed as a partnership under the Internal Revenue Code and applicable state status. As such, the Company is not liable for Federal or state income taxes. Accordingly, under accounting principles generally accepted in the United States, the Company would not report an income tax provision.

For ratemaking purposes, the Company is including a charge in lieu of income taxes equal to the amount that the Company recovers from its customers as a cost of providing utility service. The charge would not be in accordance with a provision for income taxes under accounting principles generally accepted in the United States if the Company was a taxable entity for several reasons. The provision does not include taxes on the Company's nonoperating income, the tax benefit of the interest deduction is based on the debt component of the capital structure used for regulatory purposes and the allowed return on rate base, rather than on actual interest expense, and the tax rates used represent the combined effective tax rates of its taxable and tax-exempt members. In addition, while the Company is reporting deferred taxes related to property and other operating items, the Company has omitted certain deferred taxes and the related regulatory assets and liabilities for tax-related items required by Statement of Financial Accounting Standards No. 109.

(f) Use of Estimates-

The preparation of financial statements in accordance with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

(3) Benefits-

The Company provides certain postretirement health care benefits to employees. The weighted average assumptions as of the measurement date of October 1, 2001 are as follows:

Discount Rate	7.00%
Medical Cost Trend:	
Initial Range	9.00%
Ultimate Range	5.50%

The components of the Company's other postretirement benefits costs for 2001 are as follows (in thousands):

Service Cost	$553
Interest Cost	225
Amortization of Prior Service Cost	250
Net Periodic Postretirement Cost	$1,028

The assumed medical trend rates are critical assumptions in determining the service and interest cost and accumulated postretirement benefit obligation related to postretirement benefit costs. A one percent change in the medical trend rates for 2001, holding all other assumptions constant, would have the following effects (in thousands):

	One Percent Increase	One Percent Decrease
Effect on Total of Service and Interest Cost Components	$258	$(124)
Effect on Postretirement Benefit Obligation at the End of Year	1,090	(524)

A reconciliation of the funded status of the Company's plan to the amounts recognized in the December 31, 2001 balance sheet is as follows (in thousands):

Accumulated Postretirement Benefit Obligation at the Beginning of Year	$3,003
Service Cost	553
Interest Cost	225
Actuarial Gains and Losses	387
Benefit Obligation at End of Year	$4,168

The plan is not funded with assets. No benefits were paid during 2001. The reconciliation of funded status of the Company's plan as of December 31, 2001 is as follows (in thousands):

Funded Status as of December 31, 2001	$(4,168)
Unrecognized Prior Service Cost	2,752
Unrecognized Net Actuarial Gain	388
Net Amount Recognized as of December 31, 2001	$(1,028)

The Company sponsors a defined contribution money-purchase pension plan, in which substantially all employees participate. The Company makes annual contributions to the plan for each participant based on several factors, including years of service with the Company or the contributing utilities. Contributions made by the Company to the plan totaled $1.1 million for the year ended December 31, 2001.

The Company provides a deferred compensation plan for certain employees. The plan allows for the elective deferral of an employee's base salary and incentives and also contains a supplemental retirement and 401(k) component. As of December 31, 2001, $1.3 million was included in long-term liabilities related to this deferred compensation liability.

(4) Members' Equity-

As of December 31, 2000, the Company had not issued any membership interests. Two of the members, Wisconsin Public Power Inc. and ATC Management Inc., had advanced cash to the Company prior to December 31, 2000. These advances were converted to membership interests on January 1, 2001. During 2001, each of the contributing utilities, contributing municipalities, contributing cooperatives, and UPPCo received membership interests in the Company in proportion to the value of the transmission assets or cash transferred.

On April 2, 2001, the Company redeemed 40%, or approximately $186.1 million, of the membership interests issued to the contributing utilities on January 1, 2001. On June 29, 2001, the Company redeemed an additional 10% of the membership interests issued to the contributing utilities on January 1, 2001 as well as 50% of the membership interests issued to the contributing municipalities, contributing cooperatives, and UPPCo, for approximately $73.8 million. Due to true-up adjustments in the third and fourth quarter, approximately $2.0 million was returned to the Company.

Distribution of earnings to members is at the discretion of the corporate manager. The Operating Agreement of the Company established a target for distribution of 80% of annual earnings. During 2001, the Company distributed $27.2 million of its earnings through September 30, 2001 to its members of record in proportion to each member's interest in the Company. A distribution of earnings for the fourth quarter of 2001 was made subsequent to December 31, 2001 to bring the total distributions to 80% of 2001 earnings.

(5) Debt-

Credit Facilities-

On August 31, 2000, the Company entered into a senior credit facility with certain financial institutions to borrow up to an aggregate principal amount of $25 million. All borrowings under the senior credit facility were guaranteed by Alliant Energy Corporation ("Alliant"), the parent of Wisconsin Power and Light Company. This guarantee was released by the lender in March 2001 and the aggregate commitment was increased to $40 million.

On June 29, 2001, the Company's credit facility was replaced by a syndicated, 364 day, revolving credit facility that allows the Company to borrow up to an aggregate $100 million from certain financial institutions. The credit facility will provide backup liquidity to the Company's $100 million commercial paper program (see below). Interest rates on outstanding borrowings under the facility are based on either a LIBOR rate plus a margin or an Alternate Base Rate plus a margin. The applicable margin is based on the Company's debt rating from Moody's and S&P and ranges from 0.39% to 1.25%.

As of December 31, borrowings outstanding under these credit facilities were as follows (in thousands):

	2001	2000
Note payable due April 20, 2001 at interest rate of 7.0000%	$ -	$5,800
Note payable due June 8, 2001 at interest rate of 6.79875%	-	4,000
	$ -	$9,800

The $100 million credit facility contains restrictive covenants, including restrictions on liens, certain mergers, sales of assets, acquisitions, investments, transactions with affiliates, conduct of business and certain financial ratios. The credit facility also provides for certain customary events of default that provide lenders with certain authority over outstanding borrowings and on future borrowings.

The Company had no outstanding letters of credit as of December 31, 2001 and 2000.

Commercial Paper-

On August 29, 2001, the Company and certain dealers closed on a $100 million unsecured, private placement, 4(2) commercial paper program. Investors are limited to qualified institutional buyers and institutional accredited investors. Maturities may be up to 364 days from date of issue, with proceeds to be used for working capital and other capital expenditures. Pricing is par less a discount or, if interest bearing, at par. The Company had no borrowings outstanding under the commercial paper program as of December 31, 2001.

Long-Term Debt-

On April 2, 2001, the Company issued $300 million of unsecured, 7.125% senior notes maturing on March 15, 2011. The net proceeds from the issuance of the notes was approximately $294 million, after deducting the initial purchaser's discount and offering expenses. Interest on these notes will be paid semiannually on March 15 and September 15 of each year through maturity. The purchaser's discount and offering expenses are being amortized to interest expense over the life of the notes using the effective interest method, resulting in an effective interest rate of 7.39%.

The notes contain restrictive covenants, which include restrictions on liens, certain mergers and sale of assets and which require certain financial reporting. The notes also provide for certain customary events of default that provide lenders with certain authority over outstanding borrowings and on future borrowings.

A portion of the senior notes proceeds was used to redeem an aggregate 50% of the initial membership interests issued to members which contributed assets to the Company. The remainder of the proceeds are being used for general purposes, including funding capital expenditures associated with the operation, maintenance and expansion of the transmission system.

(6) Income Taxes-

The Company is a limited liability company that has elected to be treated as a partnership under the Internal Revenue Code and applicable state statutes. As such, it is not liable for Federal or state income taxes. The Company's members report their share of the Company's income, gains, losses, deductions and tax credits on their respective Federal and state income tax returns. However, as discussed below, these financial statements report as income tax expense a charge in lieu of income taxes for regulatory purposes. This charge in lieu of income taxes does not conform to accounting principles generally accepted in the United States.

The Company is allowed to recover in rates, as a component of its cost of service, the amount of income taxes that are the responsibility of its members. Accordingly, the Company includes a provision for its members' federal and state income tax expenses on operating income, deferred taxes, excess deferred taxes and deferred investment tax credits in its regulatory financial reports and rate filings. The tax benefit of interest expense incorporated in the tax provision is based on the capital structure used for regulatory purposes and debt component of the Company's allowed return on rate base. Because the Company does not recover in rates income taxes on its nonoperating income, the Company has not provided a charge in lieu of income taxes on that income. Nonoperating income in 2001 consisted of equity AFUDC and interest income.

The income tax provision for the years ended December 31, 2001 and 2000, respectively, consisted of the following:

	2001	2000
Current-		
Federal	$12,453	$ -
State	2,843	-
Deferred	1,524	-
Amortization of Deferred Investment Tax Credits	(362)	-
	$16,458	$ -

A reconciliation of tax on income at the federal statutory tax rate to tax expense is as follows:

	2001	2000
Tax, Federal Statutory Rate	$18,620	$ -
State Tax, Net of Federal Benefit	2,093	-
Adjustment for Tax-Exempt Members	(1,287)	-
Tax Benefit of Debt Return on Rate Base in Excess of Interest Expense	(1,021)	-
Adjustment for Nonoperating Income	(1,380)	-
Other Permanent Differences	298	-
Amortization of Deferred Investment Tax Credits	(362)	-
Reversal of Deferred Income Taxes at Rates in Excess of Current Rates	(503)	-
	$16,458	$ -

Approximately 7.8% of the average units outstanding during the year were owned by members that pay no income tax on their share of the Company's taxable income. Accordingly, the Company's income tax expense does not include amounts attributable to those members' shares of income, expense or tax credits.

For purposes of determining transmission rates in calculating the return allowed by the FERC, rate base is reduced by the amount of certain accumulated deferred income taxes. Deferred taxes result from temporary differences between the book and tax basis of the Company's assets. The accumulated deferred income tax liabilities included in the Balance Sheets arise from the following temporary differences (in thousands):

	2001	2000
Property Related	$67,313	$ -
True-Up of 2001 Revenues	2,134	-
	$69,447	$ -

(7) Regulatory Proceedings-

In December of 2000, the Company filed a rate proceeding with FERC to supersede the original formula rates included as part of the Open Access Transmission Tariff (OATT) filed in July of 2000. The FERC, on December 29, 2000, accepted the Company's proposed rates, subject to refund and future hearings. As of January 1, 2001, the Company began collecting revenues thereunder. In March 2001, the Company filed a revised tariff with the FERC. The proposed tariff was accepted and consolidated with the previous filing, subject to refund and future hearings. The Company began collecting revenues under the new tariff on June 1, 2001. The proposed tariff revised the formula rate under the OATT from a formula based on historical costs to a formula based on projected costs, subject to an annual true-up for the billing period.

In August 2001, the Company filed a comprehensive settlement proposal with FERC that resolved all outstanding rate issues. This proposed settlement was certified by the presiding Administrative Law Judge of the FERC in October 2001 and an order approving the settlement was issued by the FERC in November 2001. The settlement included an annual true-up mechanism, whereby the Company must adjust its revenue requirement in the second year following the reporting year by the difference between the Company's actual cost of service plus allowed return for the reporting year and the amounts actually billed in the reporting year. As a result of applying the true-up mechanism for 2001, the Company determined that amounts billed to customers in 2001 were approximately $5.4 million less than its actual cost of service plus allowed return. Accordingly, the Company has recorded this amount in other assets as of December 31, 2001. The Company expects to bill this amount in 2003.

(8) Commitments and Contingencies-

(a) Operating Leases-

The Company leases office space under noncancellable operating leases. Amounts incurred during 2001 totaled approximately $0.7 million. Amounts incurred during the period June 12, 2000 (date of inception) through December 31, 2000 were deferred as recoverable start-up costs.

Future minimum lease payments, which will be expensed as incurred, under noncancellable operating leases are as follows for the years ending December 31:

	(In Thousands)
2002	$975
2003	971
2004	965
2005	981
2006	923
Thereafter	1,184
	$5,999

In conjunction with an operating lease that commenced in April 2001, the Company has the option to purchase the leased facility any time prior to April 2002.

(b) Transfer of Operational Control of Transmission System-

The Company is required under Wisconsin law to transfer operational control of its transmission system to the Midwest Independent Transmission System Operator ("MISO") or an independent system operator ("ISO") that has been approved under FERC Order No. 2000 ("Order 2000"). The Company is also required to join a FERC-approved regional transmission organization ("RTO") or seek approval for not joining an RTO.

FERC approved MISO's tariff in October 2001 and approved MISO as an RTO on December 15, 2001. FERC had previously approved MISO to start up as an ISO under FERC Order No. 888. MISO commenced operations on December 15, 2001, and the Company completed the transfer of its operational control to MISO on February 1, 2002.

FERC is expected to develop Notices of Proposed Rule Making ("NOPRs") that ultimately lead to further orders specifying RTO responsibilities in areas such as market design, congestion management, regional coordination and expansion planning. The Company continues to monitor and evaluate what implications, if any, FERC's policy changes will have on its relationship with MISO.

As a member of MISO, the Company will pay a fee to MISO for its services. This fee includes MISO's recovery of its start-up costs. In the event that MISO ceased operations, the Company would remain obligated to pay its share of any unrecovered start-up costs. At December 31, 2001, the Company's share would have been approximately $3.2 million.

(c) Transfer of Tariff Administration Responsibilities-

Per FERC Order 2000, MISO has become the tariff administrator for all of its transmission owning members. MISO and the Company have made a joint Section 205 filing with FERC that added an ATC pricing zone to MISO's tariff. This filing, which was accepted by FERC on February 11, 2002, reflected the terms and conditions of the Company's settlement agreement approved by FERC on November 7, 2001 (see Note 7). In the future, the Company expects that the portions of its tariff will be administered under MISO's tariff. The Company will continue to file with FERC for approval of future changes to the formula which determines its revenue requirements.

(d)

Arrowhead to Weston Line Project-

The Arrowhead to Weston Line Project ("Project") represents the joint interest of Wisconsin Public Service Corporation ("WPSC") and Minnesota Power, Inc. to construct an electric transmission line from the vicinity of Duluth, Minnesota to the vicinity of Wausau, Wisconsin. Previously, the Company had offered to assume the interest of WPSC in the Project following the close of the Public Service Commission of Wisconsin ("PSCW") hearings. The Project was approved, at an estimated total cost of $165.7 million, by the PSCW on August 17, 2001, and the final order was mailed on October 30, 2001.

It is the Company's intent to own the transmission line, after it is placed in service, and the Company and WPSC are currently engaged in substantive discussions to determine the specifics of how the transfer will be effected.

(e) Interconnection Agreements-

The Company has entered into various interconnection agreements with entities planning to build generation plants within the Company's service territory. The transmission facilities constructed under these agreements will be funded by the generators during construction. The Company has committed to purchase the transmission facilities when the generation plants become operational. If the generation plants are not constructed, the Company has no obligation. These assets will be included in the Company's rate base at the time of purchase.

The current estimate for these agreements is approximately $210.0 million with expected completion ranging from 2002 to 2011. In addition, there may be transmission service requests that require the Company to construct additional, or modify existing, transmission facilities. The costs, if any, of these additions or upgrades depend on the state of the transmission system at the time the generation plant is actually put into service.

(f) Potential Adverse Legal Proceedings-

The Company may, in the future, become party to lawsuits, including certain suits which may involve claims for which it does not have sufficient insurance coverage. Such litigation could include suppliers and purchasers of energy transmitted by the Company and others with whom the Company conducts business. The Company is currently investigating the availability of regulatory relief, which could mitigate any potential future liability. However, Management cannot provide any assurance that its effort will be successful in obtaining any such regulatory relief.

(9) Related Party Transactions-

During 2001, the Company was operating under transitional services and operations and maintenance agreements whereby the contributing utilities, municipalities, cooperatives and UPPCo have been providing certain administrative, operational, maintenance and construction services to the Company. The Company was billed approximately $90.0 million under these agreements for the year ended December 31, 2001.

Beginning January 1, 2001, the contributing utilities are obligated to provide to the Company, at cost, for a period of three years, operation and maintenance services on the transmission facilities they had transferred to the Company. The Company is required to reimburse each utility for all reasonable direct and indirect costs the utility incurs in performing these services. Additionally, the Company is obligated to pay each utility a minimum of 85% of the expenses previously incurred by the utility for such activities in a representative year. This obligation has been met for each contract in 2001. At the end of the initial three year period, these operating and maintenance contracts will automatically renew for subsequent one year terms unless either the Company or utility provider notifies the other party at least one year prior to the end of any given year.

Beginning June 25, 2001 and June 29, 2001, respectively, the contributing municipalities and the contributing cooperatives and UPPCo are also obligated to provide to the Company, at cost, for a period of three years, operation and maintenance services on the transmission facilities they had transferred to the Company. The terms of the agreements are identical to the contributing utilities with the exception that only the agreement with UPPCo contains the 85% minimum payment clause.

The contributing utilities, municipalities, cooperatives and UPPCo are the primary customers of the Company. As such, the Company has entered into two interconnection agreements with each of the contributing members, the generation-transmission interconnection agreement and the transmission- distribution interconnection agreement. Neither agreement contains a provision for the payment of rates or charges, except to provide that the Company shall offer transmission services pursuant to the FERC approved OATT.

The Company has also entered into a network integration transmission services agreement and a network operating agreement with each of the contributing utilities. The network integration transmission services agreement specifies the terms of service and the network load which shall be served to each of the contributing members. The network operating agreement specifies the procedures and safeguards each of the contributing members must follow to allow for integration of its load and resources on the Company's system.

Beginning January 1, 2001, the Company has entered into a lease agreement with Alliant Energy Corporate Services, Inc. for a portion of the Company's system operating center in Stoughton, WI and has agreed to provide control and operational services at such center to Alliant. Both the lease and the services are being provided to Alliant at cost. Amounts billed under these agreements totaled $5.5 million for the year ended December 31, 2001.

Revenues from Wisconsin Electric Power Company, Wisconsin Power and Light Company, Wisconsin Public Service Corporation, Madison Gas and Electric Company and Wisconsin Public Power, Inc. account for approximately 90% of the Company's transmission service revenue for the year ended December 31, 2001.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
American Transmission Company LLC	(1) [X] An Original (2) [ ] A Resubmission	04/29/2002	Dec. 31, 2001

OTHER PAID-IN CAPITAL (Accounts 208-211, inc.)

Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet, Page 112. Add more columns for any account if deemed necessary. Explain changes made in any account during the year and give the accounting entries effecting such change.

(a) Donations Received from Stockholders (Account 208)-State amount and give brief explanation of the origin and purpose of each donation.

(b) Reduction in Par or Stated value of Capital Stock (Account 209): State amount and give brief explanation of the capital change which gave rise to amounts reported under this caption including identification with the class and series of stock to which related.

(c) Gain on Resale or Cancellation of Reacquired Capital Stock (Account 210): Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.

(d) Miscellaneous Paid-in Capital (Account 211)-Classify amounts included in this account according to captions which, together with brief explanations, disclose the general nature of the transactions which gave rise to the reported amounts.

Line No.	Item (a)	Amount (b)
1	Account 211, Miscellaneous Paid-in Capital	
2		
3	Issuance of Membership Units for Transmission Assets and Cash	617,664,806
4	Deferred Taxes on Transferred Assets	-76,411,029
5	Redemption of Membership Units	-258,002,017
6	Distribution of Net Income to Members	-27,211,800
7	Income Tax Liability Paid through Distributions to Members	15,295,974
8	2001 Net Income	36,742,212
9		
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40	TOTAL	308,078,146

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
American Transmission Company LLC	(1) [X] An Original (2) [ ] A Resubmission	04/29/2002	Dec. 31, 2001

RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES

1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.
2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be field, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group member, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.
3. A substitute page, designed to meet a particular need of a company, may be used as Long as the data is consistent and meets the requirements of the above instructions. For electronic reporting purposes complete Line 27 and provide the substitute Page in the context of a footnote.

Line No.	Particulars (Details) (a)	Amount (b)
1	Net Income for the Year (Page 117)	36,742,212
2		
3		
4	Taxable Income Not Reported on Books	
5		
6		
7		
8		
9	Deductions Recorded on Books Not Deducted for Return	
10		17,600,522
11		
12		
13		
14	Income Recorded on Books Not Included in Return	
15	Revenue True-up Recoverable in Future Year	-5,380,156
16	Customer Settlement Recoverable in Future Year	-433,593
17		-3,942,876
18		
19	Deductions on Return Not Charged Against Book Income	
20	Wisconsin Franchise Tax	-2,843,275
21	Excess of Debt Return on Rate Base in Excess of Interest Expense	-2,917,243
22		
23		
24		
25		
26		
27	Federal Tax Net Income	38,825,591
28	Show Computation of Tax:	
29	Statutory Federal Income Tax (35.00%)	13,588,957
30	Reduction Attributable to Allocation to Tax Exempt Members	-1,136,258
31	Current Federal Tax Liability	12,452,699
32		
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44		

Schedule Page: 261 Line No.: 10 Column: b

Federal and State Tax Expense: $16,458,419
50% of Meals and Entertainment Expense: $50,000
Book Depreciation on Equity AFUDC: $300,000
Excess of Book Depreciation over Tax Depreciation: $292,103
Other Non-deductible Expenses: $500,000

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
American Transmission Company LLC	(1) [X] An Original (2) [ ] A Resubmission	04/29/2002	Dec. 31, 2001

TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are know, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.) Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b)amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)	Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjust- ments (f)
1	Income Taxes:					
2	Federal			12,452,699		-12,452,699
3	WI			2,843,275		-2,843,275
4						
5	Employment					
6	FICA			1,429,779	1,169,028	-203,820
7	FUTA			20,379	14,513	
8	SUTA			109,237	86,741	
9						
10						
11						
12	Property Tax					
13	MI Real Property			15,000	1,046	
14	MI Personal Property			3,040,766	1,003,204	
15						
16						
17	Use Tax					
18	WI & County			2,966,415	2,896,415	
19						
20	MI Single Business			120,000	75,000	
21						
22	WI License Fee			243,000		
23						
24	WI Other Tax			14,003	14,003	
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL			23,254,553	5,259,950	-15,499,794

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
American Transmission Company LLC	(1) [X] An Original (2) [ ] A Resubmission	04/29/2002	Dec. 31, 2001

TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

5. If any tax (exclude Federal and State income taxes)- covers more then one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Report in columns (i) through (l) how the taxes were distributed. Report in column (l) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (l) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
						1
		12,452,699				2
		2,843,275				3
						4
						5
56,931		1,101,953			327,826	6
5,866		16,316			4,063	7
22,496		87,294			21,943	8
						9
						10
						11
						12
13,954		15,000				13
2,037,562		3,040,766				14
						15
						16
						17
70,000		929,804			2,036,611	18
						19
45,000		120,000				20
						21
243,000		243,000				22
						23
		14,003				24
						25
						26
						27
						28
						29
						30
						31
						32
						33
						34
						35
						36
						37
						38
						39
						40
2,494,809		20,864,110			2,390,443	41

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
American Transmission Company LLC	(1) [X] An Original (2) [ ] A Resubmission	04/29/2002	Dec. 31, 2001

ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)

Report below information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustments to the account balance shown in column (g).Include in column (i) the average period over which the tax credits are amortized.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Deferred for Year: Account No. (c)	Deferred for Year: Amount (d)	Allocations to Current Year's Income: Account No. (e)	Allocations to Current Year's Income: Amount (f)	Adjustments (g)
1	Electric Utility						
2	3%						
3	4%				411.4	82,788	759,541
4	7%						
5	10%				411.4	278,996	7,728,550
6							
7							
8	TOTAL					361,784	8,488,091
9	Other (List separately and show 3%, 4%, 7%, 10% and TOTAL)						
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
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48							

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
American Transmission Company LLC	(1) [X] An Original (2) [ ] A Resubmission	04/29/2002	Dec. 31, 2001

ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (continued)

Balance at End of Year (h)	Average Period of Allocation to Income (i)	ADJUSTMENT EXPLANATION	Line No.
			1
			2
676,753			3
			4
7,449,554			5
			6
			7
8,126,307			8
			9
			10
			11
			12
			13
			14
			15
			16
			17
			18
			19
			20
			21
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			46
			47
			48

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
American Transmission Company LLC	(1) [X] An Original (2) [ ] A Resubmission	04/29/2002	Dec. 31, 2001

ACCUMULATED DEFFERED INCOME TAXES - OTHER PROPERTY (Account 282)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes rating to property not subject to accelerated amortization
2. For other (Specify),include deferrals relating to other income and deductions.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR Amounts Debited to Account 410.1 (c)	CHANGES DURING YEAR Amounts Credited to Account 411.1 (d)
1	Account 282			
2	Electric			609,906
3	Gas			
4				
5	TOTAL (Enter Total of lines 2 thru 4)			609,906
6				
7				
8				
9	TOTAL Account 282 (Enter Total of lines 5 thru			609,906
10	Classification of TOTAL			
11	Federal Income Tax			589,974
12	State Income Tax			19,932
13	Local Income Tax			

NOTES

ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282) (Continued)

3. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS					
		Debits		Credits			
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)	Balance at End of Year (k)	Line No.
							1
					67,922,938	67,313,032	2
							3
							4
					67,922,938	67,313,032	5
							6
							7
							8
					67,922,938	67,313,032	9
							10
					60,953,184	60,363,210	11
					6,969,754	6,949,822	12
							13

NOTES (Continued)

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
American Transmission Company LLC	(1) [X] An Original (2) [ ] A Resubmission	04/29/2002	Dec. 31, 2001

ACCUMULATED DEFFERED INCOME TAXES - OTHER (Account 283)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.
2. For other (Specify),include deferrals relating to other income and deductions.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR Amounts Debited to Account 410.1 (c)	CHANGES DURING YEAR Amounts Credited to Account 411.1 (d)
1	Account 283			
2	Electric			
3	Deferred Revenues		2,134,135	
4				
5				
6				
7				
8				
9	TOTAL Electric (Total of lines 3 thru 8)		2,134,135	
10	Gas			
11				
12				
13				
14				
15				
16				
17	TOTAL Gas (Total of lines 11 thru 16)			
18				
19	TOTAL (Acct 283) (Enter Total of lines 9, 17 and 18)		2,134,135	
20	Classification of TOTAL			
21	Federal Income Tax		1,737,433	
22	State Income Tax		396,702	
23	Local Income Tax			

NOTES

ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)

3. Provide in the space below explanations for Page 276 and 277. Include amounts relating to insignificant items listed under Other.
4. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS					
		Debits		Credits			
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)	Balance at End of Year (k)	Line No.
[redacted]							1
							2
						2,134,135	3
							4
							5
							6
							7
							8
						2,134,135	9
[redacted]							10
							11
							12
							13
							14
							15
							16
							17
							18
						2,134,135	19
[redacted]							20
						1,737,433	21
						396,702	22
							23

NOTES (Continued)

DISTRIBUTION OF TAXES TO ACCOUNTS

Explain basis for allocation if used.
If the total does not equal taxes accrued, include a reconciling schedule.

Function (a)	Wisconsin License Fee (b)	Wisconsin Income Tax (c)	Federal Income Tax (d)	FICA and Fed. and State Unemployment Tax (e)
Accts. 408.1 and 409.1:				
Electric	$243,000	$2,843,275	$12,452,699	$1,205,563
Construction				353,832
Total	$243,000	$2,843,275	$12,452,699	$1,559,395

Notes and explanations regarding tax distribution:

Column (i) Other Taxes:

WI & County Use Tax-Elec Use	2,966,415
WI Recycling Surcharge & WI Self-Insurance Tax	14,003
Total	$2,980,418

DISTRIBUTION OF TAXES TO ACCOUNTS (Cont.)

PSC Remainder Assessment (f)	Michigan Property Tax (g)	State and Local Taxes Other Than Wisconsin (h)	Other Taxes (i)	Total (j)
	$3,055,766	$120,000	$943,807	$20,864,110
			2,036,611	2,390,443
--	$3,055,766	$120,000	$2,980,418	$23,254,553

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